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THIS IS NOT A DISCIPLINARY
ACTION OR FINAL DECISION
OF THE BOARD

7
8 **BEFORE THE**
CALIFORNIA BOARD OF ACCOUNTANCY
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. AC-2011-5

12 **ANDREW KEEDUCK JEAN**
13 **763 Blairwood Court**
San Jose, CA 95120
14 **Certified Public Accountant Certificate No.**
41201

ACCUSATION

15 Respondent.

16 Complainant alleges:

17
18 **PARTIES**

19 1. Patti Bowers ("Complainant") brings this Accusation solely in her official capacity as
20 the Executive Officer of the California Board of Accountancy, Department of Consumer Affairs.

21 2. On or about October 12, 1984, the California Board of Accountancy issued Certified
22 Public Accountant Certificate Number 41201 to Andrew Keeduck Jean ("Respondent"). The
23 Certified Public Accountant Certificate was in full force and effect at all times relevant to the
24 charges brought herein and will expire on October 31, 2012, unless renewed.

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1 "(f) For purposes of this section, 'fee' includes, but is not limited to, a commission, rebate,
2 preference, discount, or other consideration, whether in the form of money or otherwise.

3 "

4 6. Section 5062 of the Code states: "A licensee shall issue a report which conforms to
5 professional standards upon completion of a compilation, review or audit of financial statements."

6 7. California Code of Regulations, Title 16, section 56, provides various additional
7 disclosure requirements for licensees that accept a fee or commission.

8 8. California Code of Regulations, Title 16, section 58, provides that "licensees engaged
9 in the practice of public accountancy shall comply with all applicable professional standards,
10 including but not limited to generally accepted accounting principles and generally accepted
11 auditing standards."

12 **PROFESSIONAL STANDARDS**

13 9. The American Institute of Certified Public Accountants' (AICPA's) Statements on
14 Standards of Accounting and Review Services (SSARS) § 100, along with subsections thereof,
15 provide guidance regarding the applicable accounting standards related to issuance of a report
16 with a compilation of financial statements. Particularly relevant within § 100 are subsections
17 100.01, 100.13, 100.15, 100.24, 100.25, and 100.26.

18 **COST RECOVERY**

19 10. Section 5107(a) of the Code states:

20 "The executive officer of the board may request the administrative law judge, as part of the
21 proposed decision in a disciplinary proceeding, to direct any holder of a permit or certificate
22 found to have committed a violation or violations of this chapter to pay to the board all reasonable
23 costs of investigation and prosecution of the case, including, but not limited to, attorneys' fees.

24 The board shall not recover costs incurred at the administrative hearing."

25 **FIRST CAUSE FOR DISCIPLINE**

26 (Accepting Fee or Commission Without Proper Disclosure)

27 11. Respondent is subject to disciplinary action under §§ 5100(g) and 5061 of the Code,
28 and Title 16, section 56 of the California Code of Regulations, in that Respondent accepted a fee

1 or commission for referrals to products or services of a third person without making appropriate
2 disclosures. Specifically, throughout 2005-2008, Respondent received roughly \$114, 928.60 for
3 referring clients to SNC Asset Management Inc. and/or SNC Investments, Inc. (collectively
4 "SNC") and made no related disclosures.

5 **SECOND CAUSE FOR DISCIPLINE**

6 (Issuance of Financial Statements Without Accompanying Report)

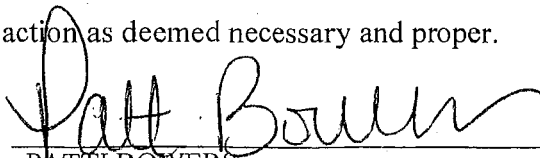
7 12. Respondent is subject to disciplinary action under §§ 5100(g) and 5062 of the Code,
8 and Title 16, section 58 of California Code of Regulations, in that Respondent failed to issue
9 reports upon compilation and issuance of financial statements to clients. Specifically, as of
10 March of 2010, Respondent had a practice of issuing unaudited financial statements to clients
11 without providing either a compilation report or an engagement letter containing appropriate
12 elements as required by professional standards.

13 **PRAYER**

14 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
15 and that following the hearing, the California Board of Accountancy issue a decision:

- 16 1. Revoking or suspending or otherwise imposing discipline upon Certified Public
17 Accountant Certificate Number 41201, issued to Andrew Keeduck Jean;
18 2. Ordering Andrew K. Jean to pay the California Board of Accountancy the reasonable
19 costs of the investigation and enforcement of this case, pursuant to Business and Professions
20 Code section 5107;
21 3. Taking such other and further action as deemed necessary and proper.

22 DATED: April 14, 2011

23 
24 PATTI BOWERS
25 Executive Officer
26 California Board of Accountancy
27 Department of Consumer Affairs
28 State of California
Complainant

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